



CITY OF HAYWARD AGENDA REPORT

AGENDA DATE 11/10/98
AGENDA ITEM 2
WORK SESSION ITEM _____

TO: Mayor and City Council

FROM: City Clerk

SUBJECT: Adoption of An Ordinance Amending the Redevelopment Plan for the
Downtown Hayward Redevelopment Project

RECOMMENDATION:

Adopt an ordinance introduced by Council Member **Henson** at a meeting of the Hayward City Council on October 27, 1998.

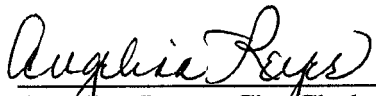
BACKGROUND:

The ordinance was introduced with the following vote:


AYES:	Council Members:	Jimenez, Hilson, Rodriquez, Ward, Dowling, Henson
	Mayor:	Cooper
NOES:	Council Members:	N o n e

This ordinance was published in the Hayward Daily Review on November 4, 1998. Adoption at this time is therefore appropriate.

Recommended by:


Angelina Reyes, City Clerk

Approved by:


Jesús Armas, City Manager

PUBLIC NOTICE OF AN INTRODUCTION OF AN ORDINANCE BY THE CITY
COUNCIL OF THE CITY OF HAYWARD

AN ORDINANCE ADOPTING THE FIFTH AMENDMENT TO THE REDEVELOPMENT
PLAN FOR THE DOWNTOWN HAYWARD REDEVELOPMENT PROJECT

THE CITY COUNCIL OF THE CITY OF HAYWARD DOES ORDAIN AS FOLLOWS:

Section 1. BACKGROUND. On December 30, 1975, the City Council of the City of Hayward adopted Ordinance No. 75-029 C.S., which approved the Downtown Hayward Redevelopment Plan ("Redevelopment Plan") and established the Downtown Hayward Redevelopment Project Area ("Project Area"). Since that time the Redevelopment Plan has been amended from time to time, including the expansion of the Project Area on April 21, 1987 to add certain territory designated as Expansion Area through the adoption of Ordinance No. 87-009 C.S.

The Agency has proposed further amendments to the Redevelopment Plan ("Plan Amendment") which will add approximately 370 acres to the existing Project Area ("the Added Area"), as depicted in the Boundary Map attached as Exhibit A to this ordinance, and modify certain provisions in the Redevelopment Plan. The Planning Commission has held a public hearing and recommended certification of the EIR and adoption of the Proposed Plan Amendment. The Agency staff has prepared an environmental impact report ("EIR"), a September **1998 Report to Council for the Amended Downtown Hayward Redevelopment Project ("Plan Amendment Report")** pursuant to Health & Safety Code section 33352, which are incorporated by 'reference. The Agency staff has also prepared proposed Fifth Amendment to the Redevelopment Plan ("Plan Amendment"), which is attached as Exhibit B to this ordinance.

The Hayward Redevelopment Area Committee ("HRAC"), which is the Project Area Committee, has also prepared and submitted a written **Report and Recommendation on the Proposed Amended Downtown Hayward Redevelopment Plan** to the Agency. The City Council has reviewed each of the foregoing documents, copies of which have also been made available for public review in the office of the City Clerk.

On October 27, 1998, the City Council and the City Council in its capacity as the Redevelopment Agency held a joint hearing on the certification of the EIR, the proposed Plan Amendment and a proposed implementation plan covering the period between 1999 to 2004 contained in the Plan Amendment Report ("Implementation Plan"), pursuant to Health & Safety Code section 33355. At that time, the Council considered the report of its staff and the Redevelopment Agency, as well as the comments and written objections to the Proposed Plan

Amendment and responses thereto. Following the close of the public hearing and its consideration of the proposed Plan Amendment, the Redevelopment Agency adopted Resolution No. **RA-98-15**, certifying the final EIR prepared for the Proposed Plan Amendment, approving the mitigation plan for such Plan Amendment and adopting findings regarding the proposed environmental impacts thereof. Based on the documents and comments considered at the public hearing, the City Council adopts this ordinance approving the Report to Council, dated September, 1998, the Plan Amendment, and the Implementation Plan proposed by the Redevelopment Agency.

Section 2. **FINDINGS.** The City Council hereby makes the following findings as to the Plan Amendment in accordance with Health & Safety Code section 33367:

A. **CALIFORNIA ENVIRONMENTAL QUALITY ACT COMPLIANCE.** The Redevelopment Agency has adopted Resolution No. **RA-98-15**, which approves findings, certifies an environmental impact report (“EIR”) regarding the environmental impacts of the Plan Amendment, and approves a Mitigation Monitoring Plan. The City Council has also reviewed the EIR, the Agency’s findings and the Mitigation Monitoring Plan approved by the Agency before the adoption of this Ordinance and incorporates by reference such Agency findings and actions.

B. **BLIGHTING CONDITIONS NECESSITATING REDEVELOPMENT.** The City Council has reviewed and incorporates by this reference the entirety of the Report to Council, dated September, 1998, a copy of which is on file with the City Clerk. The blighting physical and economic conditions remaining in the Existing Project Area are discussed on pages II-12 through II-32 and which are present in the Added Area (pp. II-37 through II-52). As to the Added Area, such blighting conditions include, but are not limited to, deteriorated or dilapidated buildings, incompatible adjacent uses, substandard or **underutilized** lots, stagnating property values, the presence of hazardous materials contamination and a relatively high crime rate.

C. **THE PROPOSED PLAN AMENDMENT.** Exhibit B, the Plan Amendment contains the following major changes to the Redevelopment Plan:

1. **POLICIES PERTAINING TO THE ADDED AREA.** The Added Area is characterized by a number of blighting conditions which are described more fully on pages II-37 through II-52 of the report to Council. The primary goals of the Project, as to the Added Area, are to preserve the established residential areas, with special attention to the residences located on the “B” Street corridor; to implement the goals of the City’s adopted neighborhood plans, specifically the Burbank and Santa Clara Neighborhood Plans; to promote re-use of obsolete buildings and properties, particularly those

D. GENERAL PLAN CONSISTENCY. The Plan, as amended by the Plan Amendment is consistent with the General Plan for the City of Hayward and all portions thereof, including but not limited to the Housing Element. The inclusion of the Added Area will also promote the specific goals and objectives of the Burbank and Santa Clara Neighborhood Plans.

E. NECESSITY FOR REDEVELOPMENT. The City Council takes administrative notice of the history of economic development in the Project Area and the Added Area, and finds that elimination of blight in the Redevelopment Area, including the Added Area, cannot be accomplished by private enterprise acting alone without the aid and assistance of the Redevelopment Agency. In addition, the carrying out of the amended Redevelopment Plan will promote the public peace, health, safety, and welfare of the community and would effectuate the purposes and policies of the Community Redevelopment Law.

F. EMINENT DOMAIN. The Plan Amendment authorizes the Agency to exercise the power of eminent domain as to properties in the Added Area through 2010 and extends the power of eminent domain as to properties in the Existing Project Area by twelve years, so that eminent domain may be initiated through 2010. Within the 1987 Expansion Area, acquisition of property by eminent domain is not authorized for residential properties which the Agency determines to be owned and occupied by the property owner as of March 28, 1987. Subject to such qualification, the ability to acquire properties in the Added Area through the use of eminent domain is necessary to achieve the goals of the amended Redevelopment Plan. If it is necessary to condemn real property, the Agency will comply with state law guidelines which promote the payment of appropriate compensation for property acquisition and the payment of appropriate relocation assistance.

G. RELOCATION AND REPLACEMENT HOUSING. Pages VI-1 through VI-6 of the **Plan Amendment Report** contains a feasible plan for provision of relocation services and benefits to any business and to any resident who may be displaced as a result of Redevelopment Plan implementation. The **Plan Amendment Report** also indicates that permanent housing facilities will be available within four years from the time occupants of the Redevelopment Project are displaced and, pending the development of such facilities, displaced residents will be furnished with adequate temporary housing facilities at rents comparable to those in the community at the time of their displacement. In addition, the City Council also declares as follows:

1. There are, or will be provided, in the project area or in other areas not generally less desirable in regard to public utilities and public and commercial facilities and at rents or prices within the **financial** means of the families and persons displaced from the amended Project Area, decent, safe, and sanitary dwellings equal in number to the number of and available to the

used or designated for industrial and commercial uses; and to consider and promote development projects which will eliminate blighting conditions, such as land use incompatibility, or provide needed public improvements. In addition, the Plan Amendment contains the following provisions:

- a. A time limit for issuance of debt pertaining to the redevelopment of the Added Area which will expire in 2018.
- b. The time limit for plan effectiveness will expire in 2028.
- c. The time limit for receipt of tax increment will expire in 2043.
- d. The Agency will have the ability to exercise the power of eminent domain as to properties in the Added Area through 2010.

2 . MODIFICATION OF LIMITATIONS APPLICABLE TO THE EXISTING PROJECT AREA. The Plan Amendment will also modify certain limitations in the Redevelopment Plan applicable to the **Existing** Project Area as follows:

- a. The time limit for issuance of debt pertaining to the Existing Project Area will be extended by ten years to January 1, 2014.
- b. The time limit for Plan effectiveness will remain December 30, 2015 as to the Project Area in existence before April 21, 1987 ("Initial Project Area") and December 30, 2020, as to the Project Area added in 1987 ("the 1987 Expansion Area").
- c. The time limit for the receipt of tax increment from the Existing Project Area will be extended by five years to December 30, 2025. However, the maximum amount of tax increment from the Existing Project Area will remain unchanged; these are \$150 million as to the Initial Project Area and \$20 million as to the 1987 Expansion Area.
- d. The Plan Amendment also extends the ability to utilize eminent domain in the Existing Project Area by twelve years, therefore such power will be available through 2010. However, the Redevelopment Agency shall not acquire any residential property in the 1987 Expansion Area through eminent domain as long as such property

displaced families and persons and reasonably accessible to their places of employment.

2. Families and persons shall not be displaced prior to the adoption of a relocation plan pursuant to Health & Safety Code sections 33411 and 3411.1. Dwelling units housing persons and families of low or moderate income shall not be removed or destroyed prior to the adoption of a replacement housing plan pursuant to Health & Safety Code sections 33334.5, 33413, and 33413.5.

H. INCLUSION OF ALL PROPERTIES IN PROJECT AREA. The inclusion of any lands, buildings, or improvements which are not detrimental to the public health, safety, or welfare is necessary for the effective redevelopment of the entire area of which they are a part and any area include is necessary for effective redevelopment and is not included for the purpose of obtaining the allocation of tax increment revenues from the Project Area, as amended, without other substantial justification for its inclusion.

I. URBANIZATION. The Project Area, as expanded by the Added Area, is an urbanized area within the meaning of Health & Safety Code section 33320.1.

J. FEASIBILITY. Pages IV-1 through IV-19 of the *Plan Amendment Report* indicate that adoption and implementation of the Redevelopment Plan, as amended by the Plan Amendment, is economically sound and feasible.

K. RATIONAL RELATIONSHIP. The time limitation, and the limitation on the number of dollars to be allocated to the Agency contained in the Redevelopment Plan, as amended by the Plan Amendment, are reasonably related to the proposed projects to be implemented in the Project Area, as expanded by the Added Area, and to the ability of the Agency to eliminate blight within such amended Project Area.

Section 3. FINDINGS REGARDING USE OF LOW AND MODERATE INCOME HOUSING FUNDS GENERATED BY ADDED AREA. The Redevelopment Agency has previously adopted Resolution No. RA-91-10, a *Resolution Adopting Low and Moderate Income Housing Fund Guidelines*. The adoption of the Plan Amendment will result in the allocation to the Redevelopment Agency for redevelopment purposes of tax increment revenues allocated from properties in the Added Area. Pursuant to Health & Safety Code section 33334.2(g), the City Council finds that use of tax increment funds generated from the Added Area as to areas located outside the Added Area for the improvement and increase of the supply of low-and moderate-income housing available at affordable housing cost in the City of Hayward will be of benefit to the Project Area.

Section 4. APPROVAL OF PLAN AMENDMENT. The Redevelopment Plan, as initially adopted by Ordinance No. 75-029 C.S. on December 30, 1975, as amended by Ordinance No. 86-041 C.S. adopted on December 16, 1986; Ordinance No. 87-009 C.S. adopted on April 21, 1987; Ordinance No. 92-21 adopted on July 28, 1992; and Ordinance No. 94-30, adopted on December 20, 1994; is hereby further amended to incorporate the Plan Amendment. The amended Redevelopment Plan, a copy of which is on file in the office of the City Clerk, is hereby incorporated by this reference and shall take effect as the amended Redevelopment Plan for the Downtown Hayward Redevelopment Project in accordance with this ordinance.

Section 5. FILING AND TRANSMITTAL. The City Clerk is hereby directed to file a copy of the amended Redevelopment Plan with the minutes of the City Council's meeting, and to transmit a copy of this ordinance to the Agency.

Section 6. RECORDATION. The Executive Director of the Agency is hereby directed to record this ordinance and the amended Redevelopment Plan in compliance with the provisions of Government Code section 27295.

Section 7. EFFECTIVE DATE. In accordance with the provisions of Section 620 of the City Charter, this ordinance shall become effective 30 days from and after the date of its adoption.

Introduced at a special joint meeting of the Hayward City Council/Redevelopment Agency held October 27, 1998, the above entitled ordinance was introduced by Council Member Henson.

This ordinance will be considered for adoption at the next meeting of the Hayward City Council, to be held on November 10, at 8:00 p.m., in the Council Chambers, 777 B Street, Hayward, California. Copies of this ordinance are available for examination by the public in the Office of the City Clerk, 777 B Street, Hayward Public Main Library, 835 "C" Street, or the Weekes Branch Library, 27300 Patrick Avenue.

DATED: November 4, 1998

ANGELINA REYES
CITY CLERK OF THE
CITY OF HAYWARD